

# Analytical Methodology

## **Identify Potential Resources by Type, Volume and Location**

- Federal Resources
  - U.S. Geological Survey
  - Federal Energy Regulatory Commission
  - U.S. Department of Interior, Mineral Management Service
- State Resources
  - Department of Environmental Protection
- Other Sources
  - Trade Associations/Publications
  - Private Sector Analysts
  - University Publications
- Other States
  - Production Histories
  - Estimated Reserves, Discovered and Undiscovered

## **Identify Probable Geographical Impacts on Florida**

- Threats from Existing Operations
  - Gulf Currents from TX/LA/MS
  - Chinese Activities Off of Cuba
- New Threats from Expanded Operations off Florida's Coast
  - Nature and Extent of Onshore Facilities
  - Nature and Extent of Offshore and Undersea Facilities
  - Impact to Military Base Operations

## **Environmental Impact Analysis**

- Identify and Quantify Risks by Region and Financial Sector
  - Department of Environmental Protection
  - Environmental Organizations
  - Scientific/University Community
  - Tourism Cluster
  - Military
  - Marine Industry
- Historic Experience
  - Gulf Region
  - National
  - International
- Short and Long Term Impacts of Activities
  - Environmental
  - Economic
- Influence of New Technologies
- Ecosystem-Based Ocean Management Plan

## **Emergency Management Analysis**

- Disaster Risk Analysis
- Responsibility Assignment
- Bond Requirements
- State Preparation
  - Planning
  - Special Equipment

## **Assess Potential Economic Contributions to State**

- Regional and Local Economic Development Organizations
- Related Industry and Trade Groups
- Review of Economic Contributions to Other States
- Potential Contributions to be Examined
  - Financial Contributions
    - Royalties
    - Medical/Health
    - Severance Taxes
    - Lease Payments
    - Bonus Payments
    - Ad Valorem Taxes on Offshore/Near Shore Facilities
  - Employment Contributions
  - Property and Plant Contributions
    - Onshore and Offshore
- Potential Timeline for Contributions
  - Time from Approval to Production
  - Possibility of Upfront Payments
    - Timing of Payments
    - Amount of Payments
    - Repayment Requirements
      - Rate of Return
    - Spending Implications
      - Debt Limitations
      - 3% Non-Recurring Limitation/Voting Rule
      - Potential for Permanent Fund/Endowment

## **Review of Leasing, Drilling and Decommissioning Laws**

- Existing Gulf States (TX/LA/AL/MS)
- Federal
- Permitting Processes
- Model Leases
  - Best Contractual Practices
  - Terms and Conditions
  - Standardization and Joint Permitting
  - Confidentiality
- Decommissioning

## **Review of Best Management Practices for Industry Participants**

- Gulf States
- National
- International
- Florida Specific

## **Public Outreach and Comment**